GOVERNMENT OF INDIA
PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS
LOK SABHA

UNSTARRED QUESTION NO:2643
ANSWERED ON:06.12.2000
PAY FIXATION OF RE EMPLOYED EX SERVICEMEN .
VSM (RETD.) COL. CHOUDHARY

Will the Minister of PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS be pleased to state:

(a) whether there are anomalies in fixation of pay of re-employed ex-servicemen since 1983;

(b) if so, the policy on fixation of pay of re-employed ex-serviceman irrespective of their rank they held before retirement, had remained uniform till February, 1983;

(c) whether as per the new policy since 1983, entire pension of re-employed officers (except Rs. 1500/-) got deducted from their pay and they were not allowed to draw dearness allowance/releif on their pension whereas all other ex-servicemen below officer rank continued to draw full pension plus DA and DA on pay;

(d) the pension of re-employed officers (before 1996) has been revised after implementation of recommedations of Fifth pay Commission but enhanced pension is deducted from their revised pay thereby putting them into financial loss;

(e) if so, whether the Government are considering to re-examine the policy on pay fixation of re-employed officers to mitigate their financial problems; and

(f) if so, the details thereof?

Answer

MINISTER OF STATE OF DEPARTMENT OF PERSONNEL AND TRAINING AND DEPARTMENT OF PENSION AND PENSIONERS` WELFARE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SMT. VASUN RAJE)

(a) : No Sir,

(b) & (c) : The practice of ignoring a portion of pension in case of personnel below Commissioned Officers Rank on their re-employment is in vogue since 1964. Although no portion of pension was ignored in the case of Commissioned rank officers, upto 1983, Rs. 250/- was allowed to be ignored from their pension for the first time in 1983 which became Rs. 500 and Rs. 1500 w.e.f. 1.4.86 and 1.1.96 respectively. As against this, the entire pension is ignored in the case of Personnel below Commissioned Officer Rank who retire before attaining the age of 55 years. Prior to the introduction of this concept of ignoring a portion of pension in case of Commissioned Officers, the pay of Commissionedoffiers as well as non- commissioned officers used to be fixed based on a uniform principle viz. at the minimum of the scale of pay of the re-employed post subject to the condition that the pay plus pension does not exceed the last pay drawn. However, from the date the new concept to ignore the entire pension in case of non-commissioned officers has been adopted, the pay of the non-commissioned officers is fixed at the minimum of the pay of the re-employed post and no protection of the pay last drawn is allowed . As against this, in case of commissioned officers the pay is not fixed at the minimum of the scale of pay of the re-employed post but it is fixed at a stage equal to the pay last drawn by them . If the ignorable portion of pension in case of Commissioned officers is enhanced equal to the portion of pension drawn by highest level of the non-commissioned officers, the non-commissioned officers may also claim for fixation of their pay on re-employment at a stage equal to the pay last drawn by them. It has never been the intention of the Govt. to allow this double benefit. Prior to issue of this Ministry`s OM dated

2.7.99 Dearness Relief (DR) on pension/ family pension during the periodof re-employment/employment was not admissible. The Vth Pay Commission in its report recommended grant of D R to all employed family pensioners and in the case of re-employed pensioners whose pay on re-employment was fixed at the minimum of pay scale of the re-employed post. The recommendation was considered by the Government and with the approval of Cabinet, orders dated 2.7.1999 were issued by this Department. Since Cabinet accorded its approval from 18.7.1997, the orders were also made effective from that date. In view of this, pay of ex-service Personel, below Commissioned Officers` Rank (who retire before attaining the age of 55 years and re-employed in Govt.offices) where full pension is ignored, the pay was being fixed at minimum of pay scale of re-employed post on initial re-employment. In such cases, Dearness Relief is allowed to ex-serviceman.

(d),(e) & (f) : The Vth CPC while revising the scalesof pay also revised the pension taking into account the Dearness Relief available at Consumer Price Index 1510 as on 1.1.96. Accordingly, the revised pension as on 1.1.96 was worked out by taking into account the dearness relief admissible at Consumer Price Index 1510. The pensioners who were already re-employed on

1.1.96 became entitled to revised scale of pay which included the dearness allowance admissible at Consoumer Price Index 1510as

well as the revised pension which also included the enhanced pension based on Consumer Price Index 1510.In order to avoid double benefit of dearness allowance/dearness relief to such re-employed personnel, it was decided to deduct the enhanced pension from the pay of re-employed officers. There does not therefore, seem to be any discrimination in the existing provisions and no need to change the existing provisions is felt.